

INFORMATIONAL CIRCULAR NO.: 16-A-20

(Also see Office of Procurement and Contracts Informational Circular 16-04)

DATE: June 27, 2016

SUBJECT: Capturing Contract Spend Data in SMART

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SUMMARY: Capturing Contract Spend Data in SMART – Use of SMART Contract ID field is required

This informational circular serves to establish a policy for tracking **all** contract spend in SMART effective July 1, 2016. Capturing and monitoring the spend levels of goods and services provided through contracts allows the Department of Administration to negotiate contract pricing and lower costs for agency purchases of goods and services. This includes both statewide and agency specific contracts.

Existing Practices:

Previously, for audit trail purposes, agencies have been advised to enter contract numbers in the Comments field in SMART for purchases under \$5,000. However, this practice has not allowed SMART to capture contract spend for reporting and analysis purposes. Requiring the use of the SMART Contract ID field will make this possible.

New Policy:

Effective July 1, 2016, all spend from contracts will be tracked through the requisition process with the contract number entered into the SMART Contract ID field.

Whenever a state contract is used, regardless of the amount, the purchase must begin with a SMART purchase requisition. The appropriate contract number for the goods and services being purchased, must be entered in the Contract ID field on the purchase requisition. The purchase requisition will source to a purchase order, and then be pulled into the voucher to systematically record the expenditure on the contract. Association of the proper contract number allows the amount of the purchase to be captured by SMART and applies the expense to the contract as contract spend. NOTE: The Contract ID field is not available when bypassing the requisition/purchase order process. Furthermore, any entry of the contract number into the Comments field on the voucher will be discontinued as it does not allow for SMART to track the contract spend.

Caution should be used to ensure the correct contract number is entered on the purchase requisition. Payments may be put on hold or rejected if an incorrect contract number is entered or the contract number is missing. For purchase requisitions with multiple lines, ensure the appropriate contract number is entered on each line.

This SMART Procurement Work Flow diagram is provided to assist agencies in complying with the new policy requiring the use of the SMART Contract ID field while working through the procurement process. It may also be accessed directly from the Office of Procurement and Contracts webpage at: <https://admin.ks.gov/offices/procurement-and-contracts/procurement-training>.

Note: Universities are statutorily exempt from using the SMART Procurement Module. Therefore universities will be expected to provide data related to contract spend upon request.